
BOARD OF SELECTMEN

MEETING MINUTES

3/3/09

The Board of Selectmen met in the Town Hall, Joseph F. Bilotta Meeting Room as scheduled with Thomas Alonzo, Paula Bertram, Steven M. deBettencourt, Thomas Mason, Dave Matthews and CAFO Kerry Speidel present. Meeting opened at 7:02 P.M. with the Pledge of Allegiance.

PUBLIC DISCUSSION

Chair announced that the budget presentation will be rebroadcast for the next five weekdays, @ 5:00 PM on the local cable access channel.

Also, announced the Town Caucus is scheduled for next Monday, March 9th @ THMS cafeteria @ 8:00 PM.

Commended the girls' basketball tournament held this past weekend. Noted, the girl's 7th grade basketball team and their coach on their win against Leominster.

Gerry Hyde of 912 Massachusetts Ave presented information on the need for relocating the microfilm reader. All the microfilm that we currently have was done in 1967 by the Mormons. Rob Ebersole had the first 60 pages immortalized and put into historical preservation and the town did fund this and the machine itself. The intent for having the machine is for the people to research the materials themselves.

Chair would rather see these documents preserved in scan format so that they can be preserved in town hall. Would like to have a plan and we need to speak with the Town Clerk on developing so that when we do have available for use we will be able to have a more usable search and for the town's purpose and recording should be available and useable.

Gerry understands that the town must retain the permanent records and that the distribution and source must be kept together within town records.

ANNOUNCEMENTS

- **Recognition Fire Fighters** – moved to later date as Fire Chief could not attend.

APPOINTMENTS

1. 7:15 P.M. - Powers and Sullivan – Financial Management Review – Frank Zuretti from Powers & Sullivan presented copies of the Management Letter, the Report on Examination of Basic Financial Statements and the Reports on Federal Award Programs that their firm completed for the Town. Presented an overview of the report of federal awards, the federal compliance audit. No findings and no question costs, includes unqualified opinions, this is the cleanest report that you can get with the one exception on the financial statements.

Basic financial statements: five different sections;

First, the Auditors Report, opinion is an unqualified opinion basically tells board that in compliance with reporting standards.

Second are the Proprietary fund, these are the town's Enterprise Funds.

Third financial statements that breaks down activities into two columns. Business comprised of enterprise funds and governmental is basically everything else.

Fourth are the governmental funds, fiduciary funds FY08, a portion went to setting aside for capital outlays and one time purchases. Finally, the General Fund, appears to be fairly strong although has been going down over the past three years. Stabilization fund 50K of investment income and \$50K to fund capital plan.

Business activities; enterprise funds full accrual statements capital improvements and investments. Found that the sewer fund broke even and solid waste had a decrease of \$200K due to a planned decrease. Fund balance was brought down to \$25K at end of year. Notes to financial statements includes disclosures, cash debt. Revenues were about \$200K under projections due to real estate as did the expenditures. Last section RSI, are new to the report as they bring in the GASB requirements on what the unfunded liability to the town is on the retirement. Town is at about 2% of the total or six million. In general the town's financial position is good and strong. CAFO commented on the budget versus actual, pgs 42 / 43, pointed that state law requires you report 100% collection and just that you never collect 100%.

Paula commented on the management letter and the processes that are being implemented to deal with unresolved issues.

Per Frank the Management letter addresses these issues and the manner of reconciliation of cash to the general ledger, treasurer's cash books, receivables. Understanding is that the general ledger has been brought up to date to 2010. Report identifies means for more efficiency and better ways to do things. Noted, page 3 comment to formalize controls, need to create a procedure so that deposits are made correctly. Remove outstanding checks from checklist and should be transferred into tailings usually after 6 months, had no action. Process account reconciliation, partially completed for vendor account, not done for payroll account. Establish cash and

investment policies, understanding is that they have been established but recommend they go before the Board of Selectmen for approval, just hasn't been approved yet.

Deputy Tax Collector account still unresolved. Adopt student activities procedures to comply with MGL and recommend they be implemented into policy. Uncollectable ambulance accounts, sizable amount of bills are uncollectable and needs to be addressed. Statement 45, GASB post retirement benefits where an actuarial study will be done so that funding can be accomplished, everyone is required to come up with a funding schedule and for each year that it's not funded the liability will continue to grow. Formal accounting policies and procedures handbook, good policy to have documented so that information on processes is available. Timeline for events that need to be accomplished in the closing process for timely audits. Current year comment on trust funds and noted difference between the cash book and treasurer's trust fund accounts, Karen (Town Acct.) has addressed and should no longer be an issue. CAFO and Karen have reviewed the recommendations and in every case here the recommendations are practical and our goal is to continually make progress on this and hopefully there will only be half the amount of comments for the next audit. Definitely some processes and timeliness that have to be addressed. Will post the electronic version on the website.

CURRENT BUSINESS

1. CAFO Updates

- Jon Juhl came before the board to discuss the town's decision on holding a public hearing to proceed forward with the proposed project as this may take three years of funding cycle.
CAFO, has not received any additional comments from any board or committee since the last time this was presented. Paula mentioned that additional comments were added by Planning Board members. Next step would be to hold a public hearing and need to know if the board supports this project. Concern is that we're not locking in on a sales price. This would be 100% elder owned and Jon will provide the regulations that make this clear.
Paula noted that the response from the Planning board regarding the three year option and the flexibility.
Chair read the attached letter from the Planning Board. Question on conveyance in lease hold and per Jon can be done as this it would be a lump sum payment upon closing. HUD requires site control for applications and need to be assured that if they commit their funds the project will likely move forward. Concern of Jon is that at least two funding rounds be allowed as the history of this would allow that if not funded in current year, town could look at their scores and look at refining those scores.
Paula's main concern is purchase price and tax revenues and whether there is a justifiable need. The concept is good want, just to be clear on what board is voting on.
Chair proceed with having a public hearing for community to come in and ask questions, will be advertised. We'd be voting on if this board thinks that we should go to next phase, doesn't commit the town to accept the proposal. After the public hearing we would be willing to make our own vote.
CAFO reported the the documents provided by Mr. Juhl have not been provided to town counsel and this needs to be done.
Paula's concern is the cost impact on the town's infrastructure and is not ready to move forward to approve this project.
Tom M., motion to move forward and hold a public hearing, Dave seconded. Voted Dave, aye, Tom M. aye, Paula aye and Tom A. aye, Steve no.
Public Hearing scheduled for March 17th. Chair requests that any further questions be forwarded to prior to the public hearing so that Mr. Juhl will have opportunity to answer.
- Presented the close out report of the Ritter Memorial Building Renovation. Balance is around \$12,000 and has come in under budget. Have some improvements that need to be made to the parking lot and add additional parking area on the School Street side of the building.
- Provided a request from Representative Benson to prioritize the submissions for the "shovel ready" projects associated with the anticipated stimulus funding. Town needs to prioritize their four projects that have been submitted and would ask the board input as to these submittals. Board discussed and individually prioritized the projects that had been submitted, Summer Street reconstruction, Primary School Renovations, Town Hall Renovations, Communications and Technology upgrades. Per CAFO have a majority for the communications and technology as the number one project. Town needs to do some planning and to define what our projects are as difficult to present with limited details that we have as we weren't seriously considering these until this money became available. Secondly would be municipal office space, whether it would be converting the primary school or renovating town hall. Chairs concern with the communications request is that he doesn't see this as putting people to work, he sees this as purchases. One of the construction projects would carry much more weight. CAFO will forward this information to the Representatives office and the board.

2. Minutes - Board of Selectmen regular session for 1/20/09, 2/17/09 and 2/26/09, Executive Session for 1/20/09 reviewed and signed.

Warrants - #46 09, 3/3/09 - \$1,193,432.92 and #18P 09, 3/5/09 - \$651,518.46 reviewed and signed.

3. Action File Issues –

- Town Counsel Rich Bowen came before the board and addressed the town's Motion to Intervene to the DPU hearings, per attached. DPU held a meeting yesterday on the issues with Unitil and informed the board that the hearing officer ruled in favor of the town's motion to intervene and the town is now officially in. The petition to intervene is also located on the town's website. Attorney General is taking an aggressive action and have retained an expert to review Unitil's action and the DPU agreed to this and this is at Unitil's expense. Counsel will email Kerry the full meeting schedule and the order which can also be placed on the website. Discovery requests begin today, and by Wednesday March 25th we have to submit prefiled testimony, a written statement of the testimony that we will present at the formal hearing which is scheduled for Monday May 11th through Friday May 15th. Need to identify who we want to testify on the town's behalf. Advancing hard core public safety issues that were present here, can bring the public safety officials who observed the poor response and the residents that were put in peril and the hardcore human aspect that could have been a significant tragedy if you hadn't responded as you did.

April 28th, discovery requests, our last opportunity to ask questions and provide documents. Briefing schedule is May 29th. Noted that Attorney Howard was also present and town may want to discuss with him their class action suit that was filed, perhaps an issue to be addressed in executive session.

Town may want to intervene on any future rate increase requests that may come before DPU. Steve voiced his concern on the gas facility and Unitil's maintenance of the facility located on Pleasant Street; Rich will address this question in his submittal to DPU.

Dave pointed out the glaring deficiencies of Unitil when compared to the other utility companies response to this storm.

Board would like to schedule and Executive Session for strategy.

CAFO questioned to what extent could we incorporate other communities experiences as it's unfortunate that they are part of this process and if it's possible to present their input.

Rich discussed whether there is a mechanism if the town is willing to allow the other communities to join in the petition. As town has taken the lead, want to make sure that it goes in the direction that we would want to go. Perhaps the other communities should enter a motion to intercede late. Town could submit testimony of 100's and could be filed, may not be a bad idea, but the question is what weight the DPU would give to this. When comes to evidentiary hearing may be limited to perhaps two or three witnesses. Unitil has commissioned an expert report and the author to the report wasn't even go to testify. Town can bring in whoever they want, who can best address the issues.

Steve questioned at the end of the day, at the end of these hearings where are we going to be.

Per Rich, the DPU is going to have to decide, there is case law that deals with decisions. Still dealing with how hard do we do this, don't think that everything we want to get done will be done solely with this. It just might be DPU saying that they're not properly organized, this is what you need to do moving forward. Other issue is how are these rate increases being used, this could be done at the rate hearing. Town may want to look at a municipal electric, still within the realm of possibility.

Paula would like to see a true emergency management plan as our citizens weren't protected. Our public safety personnel had no information to protect our citizens and this board's endorsement of House Bill 1339 was one step. Doing all the thing's necessary needs to be a testament and multi pronged approach are all things that we need to work toward.

- Steve questioned the decision on when and if the town is going to pick up the brush on personal property as he is seeing the piles getting larger. Per CAFO, FEMA required town to use the Army Corps of Engineers to make a preliminary estimate on what is on the ground and will be bringing this estimate to the board as we will only be reimbursed 75% from FEMA and will need to know whether the board wants to incur this additional expense. People do have options with burning or charging their homeowners insurance the expense for removal. Probably won't be happening until the first of May as there is a strict monitoring process that the town would have to adhere to under FEMA. Steve's concern is the timeline, and the least expensive way that it's going to be done. Noted that Fitchburg has already put this out to bid and have awarded a contract for debris removal, questioned synopsis. CAFO will be looking at giving the board a proposal that will just be picking up the debris at curbside, FEMA will not fund going onto personal property, Town's share may be up to \$25,000. He would also like to see what can be done to get some of the street lights turned back on as many have been out since the ice storm, need pole numbers to identify and contact Unitil. Also, questioned when line item budget will be available.
- Paula questioned status to the IMA for water, and CAFO informed the board that prior to the ice storm had a discussion with Fitchburg and have sent to town counsel to review, waiting to hear back from Fitchburg on this. Would also like to see work continue on the policies and procedures of the board. Also the status of the repairs on the Lake Shirley Dam, and a complaint on lack of plowing on Brown Ave., and noted that this has been approved as an accepted street and would ask that we get back to the resident as soon as possible and get this situation rectified. Also, the property on Howard Street, known as Aro farm and whether the right of first refusal has expired as a definitive plan has been submitted and is not in accordance with the town's zoning. Her question is if it effects the definitive plan if you don't have ownership. The purchase of the Aro farm has not gone through and would like to know if the right of first refusal does expire. CAFO's recollection is that the town doesn't have

another opportunity at purchasing as this may be an issue with the law. Chair and Vice-Chair believe that we do get another chance.

- Dave questioned if we're going to address the town's response to the ice storm, CAFO informed the board that we do have a committee and can provide an update from the Fire Chief for sometime this month. Also realignment of office space within Town Hall and CAFO has requested from the remaining office staff for comments to be considered. Will be trying to figure out what makes the most sense as we don't have much money, sometime within the month should have a better idea. Also, questioned why the need for building permits being obtained at town hall and why they couldn't be done at the building department, per CAFO spoke with Town Clerk and this seems to be past practice, she has no problem with the permits picked up at the respective land use departments. With regards to the transmittal of fees for building permits dependant upon the amount of money and if over a certain amount must be brought over to the Treasurer's Office no less frequently than once a week.

4. One Day Liquor License Applications – North Leominster Rod & Gun Club, 1501 Lancaster Ave.

- **Wine & Malt – 3/7/09, 4:00 PM to 10:00 PM (birthday party)** – Steve motion to approve both applications, Paula seconded
- **All Alcoholic – 3/27/09, 6:00 PM to 11:00 PM (Easter meat raffle)** – Board voted unanimous to approve both applications.

5. Muni Electric Task Force – Chair would like to have interviews scheduled for next week. Request interested people to complete and forward a Talent Bank form to the office.

6. Green Community Committee - Chair would like to have interviews scheduled for next week. Request interested people to complete and forward a Talent Bank form to the office.

7. May 2, 2009 STM / ATM Calendar – Open / Close Warrant – Board voted to officially open the warrant for submittal of articles, warrant will close Friday March 20th at 4:00 PM.

OLD BUSINESS

1. Committee Updates –

- Chair commended the CAFO on her thorough presentation on the budget last week. This presentation sets the overall parameters for the budget. Had first meeting of the regional board with the State Representative and will be held every two months to bring up dates to and from the Statehouse. Both Lunenburg's representatives were in attendance; Tom A. and Jason Poitras. Next meeting will be in Lunenburg at the end of April, the last Wednesday of the month.
- Capital Planning met and are working to prioritize what has been submitted.
- Paula informed the board that the Planning Board has been addressing a number of proposals and questioned the status of the IMA with Fitchburg. Sewer Commission is working aggressively to have a draft available for town meeting and intends to hold a public hearing prior to town meeting and will be having a proposal for special legislation.

2. BYOB Regulations – tabled to next meeting.

COMMITTEE APPOINTMENTS / REAPPOINTMENTS / RESIGNATIONS

1. Resignation – Mark Flagg, Sewer Commission – Chair recognized the resignation of Mark Flagg from the Sewer Commission and noted the vacancy for that seat, letter of appreciation to be sent.

EXECUTIVE SESSION

Being no further business board voted unanimously to adjourn Regular Session at 9:56 P.M.

Respectfully submitted,

Laura Williams, Chief Administrative Assistant
Board of Selectmen